License Reduction Program for Columbia River/Grays Harbor and Columbia River/Willapa Bay Commercial Salmon Gillnet Licenses

Program Description

Updated August 18, 2022

Background

The Washington State Legislature has provided \$14.4 million dollars to reduce the number of non-treaty Columbia River/Willapa Bay and Columbia River/Grays Harbor commercial salmon gillnet fishing licenses through a voluntary buy-back program (full proviso language is included at the end of this document). The structure for this program is reflective of the parameters outlined by the Legislature.

Under this program, individuals owning a Columbia River/Willapa Bay, or Columbia River/Grays Harbor salmon gillnet license (as outlined by RCW 77.65.160) may volunteer to sell their license back to the State for monetary compensation as outlined below. Licenses purchased back by the State will be permanently retired. The license reduction program will not change any of the fees, regulations or privileges associated with remaining licenses.

Eligibility

All Columbia River/Willapa Bay and Columbia River/Grays Harbor salmon gillnet license holders are eligible to participate in the program; however, the structure and process will differ for "inactive" and "active" license holders (see below). Individuals who hold more than one Columbia River/Willapa Bay or Columbia River/Grays Harbor salmon gillnet license (or a combination of both) may choose to sell one, some, or all licenses in the program. Individuals who hold a Washington Columbia River salmon gillnet license but are not residents of Washington state are eligible to participate. Columbia River gillnet limited entry permits issued by Oregon are not eligible for this program.

Licenses that have not yet been renewed for the 2022 season will be eligible to participate in the license reduction program. However, license holders who wish to fish in Columbia River, Willapa Bay or Grays Harbor fisheries in 2022 will need to renew their license. Licenses purchased under this license reduction program will remain valid and can therefore be fished (if renewal fees are paid), until December 31, 2022, at which point they will be permanently retired.

Program Structure

There is a separate structure and process for "inactive" and "active" licenses under this license reduction program. WDFW is using license status, within the parameters outlined below, to define "inactive" and "active" for the purpose of this program:

- Inactive licenses are those that have been on "waiver" every full license year since 2019 (i.e., 2019, 2020, and 2021 license years).
- Active licenses are those that have been in "active" status at least one year since 2019 (i.e., 2019, 2020 or 2021 license years).

Below are descriptions of the program structure for active and inactive licenses for this first phase of the program. If there are funds remaining after the completion of this first phase, a second phase may be offered in early 2023. As outlined in the budget proviso, the buy-back prices offered in the second phase are likely to be lower.

Inactive (on waiver) licenses will be eligible for a fixed price of \$25,000

License holders whose license is classified as inactive (on waiver 2019, 2020 and 2021) are eligible to sell their license for a fixed price of \$25,000. All inactive license holders who wish to sell their licenses in the program may do so, provided that they adhere to deadlines below. The following is a step-by-step guide for inactive license holders:

- **STEP 1:** Review all materials, attend an information session or reach out to ask any questions (see below), and decide on whether you wish to participate.
- **STEP 2:** If you choose to participate, complete your Acceptance of License Purchase and Retirement form and W9, and return to WDFW by **September 19, 2022.** Acceptance forms must be complete and legible (including signatures of all license holders, mailing address, email address and phone number).
- **STEP 3:** WDFW will confirm receipt of your acceptance form to the email address you provide on the application.
- **STEP 4:** WDFW will issue and mail a check in the amount of \$25,000 by **November 30, 2022**. Your licenses will become permanently retired on December 31, 2022.

Active (not on waiver) licenses will be eligible for up to \$120,000, final price based on the number of license holders who intend to participate

License holders whose license is classified as active (in active status any one year from 2019 - 2021) are eligible to participate in the program at a price determined based on the number of license holders who intend to sell their active license. It is anticipated that the price offered for active licenses could be as low as \$70,000 if all active license holders participate, or as high as \$120,000 (the limit stated in the budget proviso) if 105 or fewer license holders participate.

All active license holders who wish to sell their licenses in the program may do so, provided that they complete and submit the required forms by the deadlines listed below. The following is a step-by-step guide for active license holders:

- **STEP 1:** Review all materials, attend an information session or reach out to ask any questions (see below), and decide whether you intend to participate. The department will provide a summary of the landings' history associated with each active license, to the respective license holder, prior to September 1, 2022.
- STEP 2: If you intend to participate, complete your Declaration of Intent form and return it to WDFW by September 19, 2022. If we do not receive your Declaration of Intent form by that date, we will assume that you are not interested in selling your license at this time. This does not preclude you from participating in the second phase of the program, should funds be available.

- **STEP 3:** WDFW will confirm receipt of your Declaration of Intent form to the email address you provide.
- **STEP 4:** Based on the number of active license holders who submit Declaration of Intent forms, WDFW will determine the price for active licenses.
- **STEP 5:** WDFW will mail formal agreement materials (Acceptance of License Purchase and Retirement form and Vendor Registration Form) to license holders who submitted a Declaration of Intent, indicating the official purchase price, by **September 30, 2022**.
- **STEP 6:** If you submitted a Declaration of Intent and wish to sell your license at the established price, complete and return the following by **October 31, 2022**:
 - Acceptance of License Purchase and Retirement form Acceptance forms must be complete and legible (including signatures of all license holders, mailing address, email address and phone number).
 - Acceptance forms must be returned to WDFW Fiscal Office, Dept. of Fish
 Wildlife, PO Box 43160, Olympia WA 98504-3160
 - Vendor Registration Form Registering as a vendor in the Statewide Vendor System is required to receive payment. You may also elect to set up direct deposit and receive your payment directly to your bank account. If you already have a Statewide Vendor Number, you do not need to register again; please provide your existing Statewide Vendor Number on your acceptance form.
 - Vendor Registration and direct deposit forms must be returned to the Office of Financial Management via email to PayeeForms@ofm.wa.gov, via FAX at (360) 664-3363 or via mail to Statewide Payee Registration, PO Box 41450, Olympia, WA 98504-1450
- **STEP 7:** WDFW will confirm receipt of your Acceptance of License Purchase and Retirement form and Vendor Registration Form to the email address you provided.
- STEP 8: WDFW will issue payment by check (or direct deposit, if elected) for the established amount by November 30, 2022. Your licenses will become permanently retired on December 31, 2022.

Terms and Conditions

By participating in this license reduction program, you are agreeing to the following terms and conditions:

- Licenses purchased through this program will be permanently retired on December 31, 2022. Licenses cannot be renewed, reactivated or transferred after retirement.
- When a signed Acceptance of License Purchase and Retirement form and all associated documentation as outlined above is received and accepted by WDFW, a binding legal contract is formed.
- Forms must be completed and signed by the license holder(s) on file and postmarked by the dates listed above. Payments will be issued to the license holder on file no later than November 30, 2022.
- If a license holder chooses not to participate in the first phase of the program as outlined above, there is no guarantee that a second phase of the program will be offered.

Questions and Additional Information

WDFW will be hosting informational meetings for salmon gillnet license holders to review the program structure and timeline, and answer questions about this program.

June 2, 2022 – Virtual information session (Zoom/ phone), 5–7 p.m.
 https://us02web.zoom.us/j/86499615271?pwd=L1poQUF3WVU5RXdzYWgxVmRsQTNHQT09
 Call line: 253-215- 8782, Meeting ID: 864 9961 5271, Passcode: 890506

June 14, 2022 – Longview, WA 5-7 p.m.
 Lower Columbia College, Main Classroom 145
 1600 Maple Street, Longview, WA 98632

June 15, 2022 – Ilwaco, WA 5-7 p.m.
 Ilwaco Community Center
 158 1st Avenue North, Ilwaco, WA 98624

• September 6, 2022 - Ridgefield, WA 5-7 p.m.

WDFW Ridgefield Office 5525 S 11th Street, Ridgefield, WA 98642 Virtual option – via Zoom

https://us02web.zoom.us/j/84877270223?pwd=NkpHYkxzMDdLbTQ0RzMzeDJCM0Z6dz09

Call-in line: 253-215-8782, Meeting ID: 848 7727 0223, Passcode: 354250

• September 7, 2022 – Raymond, WA 5-7 p.m.

Timberland Library 507 Duryea Street, Raymond, WA 98577

• September 8, 2022 – Ilwaco, WA 5-7 p.m.

Ilwaco Community Center 158 1st Avenue North, Ilwaco, WA 98624

If you are unable to attend one of these meetings, you may find more information on our website here: https://wdfw.wa.gov/licenses/commercial/columbia-river-license-reduction or you can direct questions to Raquel Crosier (Raquel.Crosier@dfw.wa.gov, 360-789-9652) or Charlene Hurst (Charlene.Hurst@dfw.wa.gov, 360-605-5247).

2022 Supplemental Operating Budget Proviso

Below is the final budget proviso language included in the 2022 Supplemental Operating Budget passed by the Washington State Legislature and signed by Governor Inslee.

(65) \$14,400,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to reduce the number of nontribal commercial gillnet fishing licenses on the Columbia River through a voluntary buy-back program.

- (a) Until November 30, 2022, the department may pay up to \$25,000 each for licenses that have been inactive since 2019 and up to \$120,000 each for licenses that have been active since 2019. After November 30, 2022, the department may pay up to \$20,000 each for licenses that have been inactive since 2019 and up to \$96,000 each for licenses that have been active since 2019. It is the intent of the legislature that this will be the last appropriation made to buy back licenses for the Columbia River gillnet fishery.
- (b) For all licenses purchased, the department shall calculate the reduced impacts to wild and endangered stocks based on the most recent five-year average of harvest and reserve those impacts for conservation through increased wild salmonid escapement or mark selective fisheries capable of harvesting surplus hatchery-reared salmon where needed to meet federal genetic protection requirements for wild salmon populations in a manner consistent with state-tribal fishery management agreements.
- (c) The department must make recommendations to the legislature for any necessary changes in statute, regulations, or program funding levels to transition lower Columbia River mainstem gillnet fisheries to alternative, selective fishing gears, including pound nets or other gears capable of benefitting wild salmon conservation through mark-selective harvest practices. The recommendation must be submitted to the appropriate committees of the legislature by December 1, 2022.